

**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

Case No. AC-2010-23

LINDA JEAN WILSON
578 W. Washington Boulevard, PMB 709
Marina del Rey, CA 90292
Certified Public Accountant License No.
CPA 35978

Respondent.

DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the California Board of Accountancy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on October 27, 2012.

It is so ORDERED September 27, 2012



FOR THE CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS

1 KAMALA D. HARRIS
Attorney General of California
2 GREGORY J. SALUTE
Supervising Deputy Attorney General
3 DESIREE TULLENERS ✓
Deputy Attorney General
4 State Bar No. 157464
300 So. Spring Street, Suite 1702
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Attorneys for Complainant
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9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **STATE OF CALIFORNIA**

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14 **Certified Public Accountant License No.**
CPA 35978

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER**

15 Respondent.
16

17 *IT IS HEREBY STIPULATED AND AGREED* by and between the parties to the above-
18 entitled proceedings that the following matters are true:

19 **PARTIES**

20 1. Patti Bowers (Complainant) is the Executive Officer of the California Board of
21 Accountancy. She brought this action solely in her official capacity and is represented in this
22 matter by Kamala D. Harris, Attorney General of the State of California, by Desiree Tulleners,
23 Deputy Attorney General.

24 2. Respondent Linda Jean Wilson (Respondent) is representing herself in this
25 proceeding and has chosen not to exercise her right to be represented by counsel.

26 3. On or about September 24, 1982, the California Board of Accountancy issued
27 Certified Public Accountant License No. CPA 35978 to Linda Jean Wilson (Respondent). The
28 Certified Public Accountant License was in full force and effect at all times relevant to the

1 charges brought in Accusation No. AC-2010-23, expired on February 28, 2011, and is currently
2 delinquent.

3 **JURISDICTION**

4 4. Accusation No. AC-2010-23 was filed before the California Board of Accountancy
5 (CBA) , Department of Consumer Affairs, and is currently pending against Respondent. The
6 Accusation and all other statutorily required documents were properly served on Respondent on
7 May 24, 2011. Respondent timely filed her Notice of Defense contesting the Accusation.

8 5. A copy of Accusation No. AC-2010-23 is attached as Exhibit A, and incorporated
9 herein by reference.

10 **ADVISEMENT AND WAIVERS**

11 6. Respondent has carefully read, and understands the charges and allegations in
12 Accusation No. AC-2010-23. Respondent has also carefully read, and understands the effects of
13 this Stipulated Settlement and Disciplinary Order.

14 7. Respondent is fully aware of her legal rights in this matter, including the right to a
15 hearing on the charges and allegations in the Accusation; the right to be represented by counsel at
16 her own expense; the right to confront and cross-examine the witnesses against her; the right to
17 present evidence and to testify on her own behalf; the right to the issuance of subpoenas to
18 compel the attendance of witnesses and the production of documents; the right to reconsideration
19 and court review of an adverse decision; and all other rights accorded by the California
20 Administrative Procedure Act and other applicable laws.

21 8. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
22 every right set forth above.

23 **CULPABILITY**

24 9. Respondent admits the truth of each and every charge and allegation in Accusation
25 No. AC-2010-23.

26 10. Respondent agrees that her Certified Public Accountant License is subject to
27 discipline and she agrees to be bound by the CBA's imposition of discipline as set forth in the
28 Disciplinary Order below.

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Dated:

Desiree Tulleners

STIPULATED SETTLEMENT (AC-2010-23)

Exhibit A

Accusation No. AC-2010-23

1 KAMALA D. HARRIS
Attorney General of California
2 GREGORY J. SALUTE
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3 DESIREE TULLENERS
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12 578 W. Washington Blvd., #709
13 Marina del Rey, CA 90292
14 Certified Public Accountant License
No. CPA 35978

A C C U S A T I O N

15 Respondent.

16 Complainant alleges:

17 **PARTIES**

18 1. Patti Bowers (Complainant) brings this Accusation solely in her official capacity as
19 the Executive Officer of the California Board of Accountancy, Department of Consumer Affairs.
20 2. On or about September 24, 1982, the California Board of Accountancy issued
21 Certified Public Accountant License Number CPA 35978 to Linda Jean Wilson (Respondent).
22 The Certified Public Accountant License was in full force and effect at all times relevant to the
23 charges brought herein, and expired on February 28, 2011.

24 **JURISDICTION**

25 3. This Accusation is brought before the California Board of Accountancy (Board),
26 Department of Consumer Affairs, under the authority of the following laws. All section
27 references are to the Business and Professions Code (Code) unless otherwise indicated.

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STATUTORY PROVISIONS

4. Section 490 of the Code states:

"(a) In addition to any other action that a board is permitted to take against a licensee, a board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the license was issued.

(b) Notwithstanding any other provision of law, a board may exercise any authority to discipline a licensee for conviction of a crime that is independent of the authority granted under subdivision (a) only if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the licensee's license was issued.

(c) A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action that a board is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal, or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code."

5. Section 5100 states, in pertinent part:

"After notice and hearing the board may revoke, suspend, or refuse to renew any permit or certificate granted under Article 4 (commencing with Section 5070) and Article 5 (commencing with Section 5080), or may censure the holder of that permit or certificate for unprofessional conduct that includes, but is not limited to, one or any combination of the following causes:

(a) Conviction of any crime substantially related to the qualifications, functions and duties of a certified public accountant or a public accountant.

....

(i) Fiscal dishonesty or breach of fiduciary responsibility of any kind.

(j) Knowing preparation, publication, or dissemination of false, fraudulent, or materially misleading financial statements, reports, or information."

1 6. Section 5106 states:

2 “A plea or verdict of guilty or a conviction following a plea of nolo contendere is
3 deemed to be a conviction within the meaning of this article. The record of the conviction shall
4 be conclusive evidence thereof. The board may order the certificate or permit suspended or
5 revoked, or may decline to issue a certificate or permit, when the time for appeal has elapsed, or
6 the judgment of conviction has been affirmed on appeal or when an order granting probation is
7 made, suspending the imposition of sentence, irrespective of a subsequent order under the
8 provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his plea of
9 guilty and to enter a plea of not guilty, or setting aside the verdict of guilty or dismissing the
10 accusation, information or indictment.”

11 **REGULATORY PROVISIONS**

12 7. California Code of Regulations, title 16, section 99, states:

13 “For purposes of denial, suspension, or revocation of a certificate or permit pursuant
14 to Division 1.5 (commencing with Section 475) of the Business and Professions Code, a crime or
15 act shall be considered to be substantially related to the qualifications, functions or duties of a
16 certified public accountant or public accountant if to a substantial degree it evidences present or
17 potential unfitness of a certified public accountant or public accountant to perform the functions
18 authorized by his certificate or permit in a manner consistent with the public health, safety, or
19 welfare. Such crimes or acts shall include but not be limited to those involving the following:

20 (a) Dishonesty, fraud, or breach of fiduciary responsibility of any kind. . .”

21 **COST RECOVERY**

22 8. Section 5107, subdivision (a) of the Code, states:

23 “The executive officer of the board may request the administrative law judge, as part
24 of the proposed decision in a disciplinary proceeding, to direct any holder of a permit or
25 certificate found to have committed a violation or violations of this chapter to pay to the board all
26 reasonable costs of investigation and prosecution of the case, including, but not limited to,
27 attorneys’ fees. The board shall not recover costs incurred at the administrative hearing.

28 ///

FIRST CAUSE FOR DISCIPLINE

(Conviction of a Substantially Related Crime)

9. Respondent is subject to disciplinary action under sections 5100, subdivision (a), 5106, and 490, in that, Respondent has been convicted of crimes substantially related to the qualifications, functions or duties of a Certified Public Accountant, as set forth below. Each conviction is a separate cause for discipline.

a. On or about July 28, 2009, in the criminal proceedings entitled *United States of America v. Linda Jean Wilson* (U.S. Dist. Ct., Central Dist. Cal., 2009, No. CR09-00584), Respondent was convicted on her pleas of guilty to violating Title 42, United States Code, Section 1320a-7b(c), (false statement re: Medicare provider), one count, a felony, and Title 26, United States Code, Section 7206(1), (willfully subscribing a false tax return), one count, a felony. The circumstances are as follows:

b. On or about September 19, 2003, Respondent knowingly and willfully made a false, fictitious, and fraudulent statement and representation of a material fact with respect to information required to be disclosed by a provider of services reimbursable by Medicare, in that, on a Medicare provider enrollment form, Respondent falsely declared that she was the only person with an ownership and control interest of 5% or greater in ABC Diagnostic Services, Inc., ("ABC"), a Medicare Part B provider. The true facts were that Respondent knew that two other individuals were one-third owners of ABC and, in partnership with Respondent, controlled ABC's operations.

c. On or about March 1, 2005, Respondent did willfully, make and subscribe a U.S. Income Tax Return, Form 1120S, for ABC for the tax year 2004, which was verified by Respondent's written declaration that it was made under the penalties of perjury which was filed with the Internal Revenue Service on or about March 9, 2005. Despite her statement under penalty of perjury, Respondent did not believe the return to be true and correct as to every material matter, in that, said return stated that there was \$37,060 in ABC shareholders' income and that ABC paid \$619,075 in "professional fees" as deductible business expenses when

Respondent knew that the shareholders' income figure was false and understated and the "professional fees" figure was false and overstated.

d. On or about December 14, 2009, Respondent was sentenced to five (5) years probation and ordered to pay a special assessment of \$100 for each count, and to pay restitution in the amount of \$290,927.

SECOND CAUSE FOR DISCIPLINE

(Knowingly Prepared False, Fraudulent, or Misleading Information)

10. Respondent is subject to disciplinary action under section 5100, subdivision (j), in that, Respondent knowingly prepared false, fraudulent, or misleading information by submitting false and fraudulent information to the IRS, as set forth in paragraph 9 above.

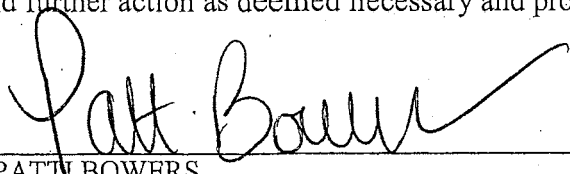
PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Board issue a decision:

1. Revoking or suspending or otherwise imposing discipline upon Certified Public Accountant Certificate No. 35978 issued to Respondent;
2. Ordering Respondent to pay the California Board of Accountancy the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 5107; and
3. Taking such other and further action as deemed necessary and proper.

DATED: _____

4/27/2011



PATT BOWERS
Executive Officer
California Board of Accountancy
Department of Consumer Affairs
State of California
Complainant